



MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2016/2017

BHR3614 – HUMAN RESOURCE MANAGEMENT
(All sections / Groups)

27 FEBRUARY 2017
2.30 p.m – 5.30 p.m
(3 Hours)

INSTRUCTIONS TO STUDENTS

1. This question paper consists of **6 pages** with 5 questions only.
2. Answer **ALL QUESTIONS** in Sections A and B.
3. The marks distributions are given in parentheses.
4. Please write all your answer in the **Answer Booklet** provided.

SECTION A: Answer ALL questions [40 marks]**QUESTION 1 [15 Marks]**

Read the case study below and answer the following questions.

Salary inequities at Acme manufacturing

Joe Black was trying to figure out what to do about a problem salary situation he had in his plant. Black recently took over as President of Acme Manufacturing. The founder and former president, Bill George, had been president for 35 years. The company was family-owned and located in a small eastern Arkansas town. It had approximately 250 employees and was the largest employer in the community. Black was the member of the family that owned Acme, but he had never worked for the company prior to becoming the president. He had an MBA and a law degree, plus five years of management experience with a large manufacturing organization, where he was senior vice president for human resources before making his move to Acme.

A short time after joining Acme, Black started to notice that there was considerable inequity in the pay structure for salaried employees. A discussion with the human resources director led him to believe that salaried employees pay was very much a matter of individual bargaining with the past president. Hourly paid factory employees were not part of this problem because they were unionized and their wages were set by collective bargaining. An examination of the salaried payroll showed that there were 25 employees, ranging in pay from that of the president to that of the receptionist. A closer examination showed that 14 of the salaried employees were female. Three of these were front-line factory supervisors and one was the human resources director. The other 10 were non-management.

This examination also showed that the human resources director appeared to be underpaid, and that the three female supervisors were paid somewhat less than any of the male supervisors. However, there were no similar supervisory jobs in which there were both male and female job incumbents. When asked, the HR director said she thought the female supervisors may have been paid at a lower rate mainly because they were women, and perhaps George, the former president, did not think that women needed as much money because they had working husbands. However, she added she personally thought that they were paid less because they supervised less skilled employees than did the male supervisors. Black was not sure that this was true.

The company from which Black had moved had a good job evaluation system. Although he was thoroughly familiar with and capable in this compensation tool, Black did not have time to make a job evaluation study at Acme. Therefore, he decided to hire a compensation consultant from a nearby university to help him. Together, they decided that all 25 salaried jobs should be in the same job evaluation cluster, that a modified ranking method of job evaluation should be used, and that the job descriptions recently completed by the HR director were current, accurate, and usable in the study.

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The job evaluation showed that the HR director and the three female supervisors were being underpaid relative to comparable male salaried employees.

Black was not sure what to do. He knew that if the underpaid female supervisors took the case to the local Equal Employment Opportunity Commission (EEOC) office, the company could be found guilty of sex discrimination and then have to pay considerable back wages. He was afraid that if he gave these women an immediate salary increase large enough to bring them up to where they should be, the male supervisors would be upset and the female supervisors might comprehend the total situation and want back pay. The HR director told Black that the female supervisors had never complained about pay differences.

The HR director agreed to take a sizable salary increase with no back pay, so this part of the problem was solved. Black believed he had four choices relative to the female supervisors:

- 1) To do nothing.
- 2) To gradually increase the female supervisors salaries.
- 3) To increase their salaries immediately.
- 4) To call the three supervisors into his office, discuss the situation with them, and jointly decide what to do.

(Adapted from Mondy, R.W. & Mondy, J.B. (2014). *Human Resource Management* (13th.ed.). Pearson Education Limited)

a) What would you do if you were Black?

[6 marks]

b) How do you think the company got into a situation like this in the first place?

[4 marks]

c) Why would you suggest Black pursue the alternative you suggested?

[5 marks]

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QUESTION 2 [25 Marks]

Please read the case study below and answer the questions.

Satish was a sales manager for industrial products company in city branch. A week ago, he was promoted and shifted to head office as deputy manager - product management for a division of products which he was not very familiar with. Three days ago, the company vice president (VP) - Mr. George, convened a meeting of all product managers. Satish's new boss (product manager Ketan) was not able to attend due to some other preoccupation. Hence, the marketing director, Preet - asked Satish to attend the meeting as this would give him an exposure into his new role.

At the beginning of the meeting, Preet introduced Satish very briefly to the VP. The meeting started with an address from the VP and soon it got into a series of questions from him to every product manager. George, of course, was pretty thorough with every single product of the company and he was known to be pushy and a blunt veteran in the field. Most of the product managers were very clear of George's ways of working and had thoroughly prepared for the meeting and were giving to the point answers. George then started with Satish. Satish being new to the product, was quite confused and fared miserably.

Preet immediately understood that George had possibly failed to remember that Satish was new to the job. He thought of interrupting George's questioning and giving a discrete reminder that Satish was new. But by that time, George who was pretty upset with the lack of preparation by Satish made a public statement "*Gentlemen, you are witnessing here an example of sloppy work and this can't be excused*".

Now Preet was in two minds - should he interrupt George and tell him that Satish is new in that position or should he wait till the end of the meeting and tell George privately. Preet chose the second option.

Satish was visibly angry at the treatment meted out by George but he also chose to keep mum. George quickly closed the meeting saying that he found in general, lack of planning in the department and asked Preet to stay back in the room for further discussions.

Before Preet could give any explanation on Satish, George asked him "*Tell me openly, Preet, was I too rough with that boy?*" Preet said "*Yes, you were. In fact, I was about to remind you that Satish is new to the job*". George explained that the fact that Satish was new to the job didn't quite register with him during the meeting. George admitted that he had made a mistake and asked his secretary to get Satish report to the room immediately.

A perplexed and uneasy Satish reported to George's room after few minutes.

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George looking Satish straight into his eyes said "*I have done something which I should have never even thought of and I want to apologise to you. It is my mistake that I did not recollect that you were new to the job when I was questioning you*".

Satish was left speechless.

George continued "*I would like to state few things clearly to you. Your job is to make sure that people like me and your bosses do not make stupid decisions. We have good confidence in your abilities and that is why we have brought you to the Head Office. For everybody, time is required for learning. I will expect you to know all the nuances of your product in three months' time. Until then you have my complete confidence*".

George closed the conversation with a big reassuring handshake with Satish.

(Adapted from Zapmeta. *Sample Case Studies for PGDBA(HR)/PGDHRM*. (2016). Retrieved from <http://www.scdl.net/downloads/samplecshrm.pdf>)

Questions:

- a) Was it at all necessary for George to apologise to such a junior employee like Satish?
[4 marks]
- b) Was George correct in saying that Satish is there to correct the "stupid mistake" of his boss and George?
[5 marks]
- c) Would you employ George in your company?
[4 marks]
- d) As an HR man, how would you define the character of George - bullying but later regretting? Does his attitude need to be corrected?
[6 marks]
- e) What can you conclude from the case study above?
[6 marks]

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SECTION B: Answer all questions (60 marks).**QUESTION 1 [20 Marks]**

a) Describe **five (5)** main functions of a human resource department. [10 marks]

b) Explain the benefits of a successful recruitment and selection plan. [5 marks]

c) Application forms can sometimes elicit better information than Curriculum Vitae (CV) as they pose some direct questions that the Curriculum Vitae may otherwise not address. However Curriculum Vitae remain highly popular. What advantages are there in using Curriculum Vitae for both the potential employee and the potential employer? [5 marks]

QUESTION 2 [20 Marks]

a) Discuss the objectives that an HR manager wants to accomplish when orienting or /onboarding new employees. [5 marks]

b) Discuss **five (5)** reasons why we need to appraise subordinates' performance. [5 marks]

c) Downsizing means reducing, usually dramatically, the number of people employed by a firm. The basic idea is to cut costs and raise profitability. Downsizings (some call them "productivity transformation programs") require careful consideration of several matters: Discuss the **five (5)** considerations. [10 marks]

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QUESTION 3 [20 Marks]

a) In performance appraisal of international managers, several things might complicate appraising an expatriate's performance. Local management must have some input, but, again, cultural differences may distort the appraisals. How would you suggest for improving the expatriate appraisal process?

[4 marks]

b) Employee engagement refers to the relationship and communication between an organization and its employees. Describe the best approaches linked to successful employee engagement.

[8 marks]

c) How would you evaluate the results of training?

[8 marks]

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